

Washington, D.C. -- Congressman Maurice Hinchey (D-NY) today emphasized the need to pass emergency legislation to extend unemployment benefits for 1.7 million American families. In July, Hinchey voted to pass the Restoration of Emergency Unemployment Compensation Act, which extended benefits through November 30. With benefits now expiring for 143,000 New Yorkers, Hinchey is calling for an immediate vote on the measure.

"Without quick action, the economic lifeline for 1.7 million Americans who are struggling to find jobs will be cut off during the holidays," said Hinchey. "We simply cannot afford to end this Congress without responding to far too many Americans who lost their jobs through no fault of their own. When New Yorkers who are relying on unemployment insurance to make ends meet start to see their benefits run out, it will reduce their ability to buy the necessities. That reduces demand for goods, which hurts local merchants, job growth and the overall economy. We can't afford to not extend these benefits."

Since 1959, the government has never allowed extended unemployment benefits to expire when the national unemployment rate is above 7.2 percent. The current national unemployment rate stands at 9.6 percent. In New York the unemployment rate is 8.3 percent. Unemployment insurance injects demand into the economy and is a proven economic booster according to independent non-partisan analysis and economic experts:

- The Congressional Budget Office notes that "extensions of unemployment insurance benefits in the past few years increased both employment and participation in the labor force...." [CBO 11/17/10]

- Chief Economist Mark Zandi of Moodys.com found that unemployment insurance is one of the most cost-effective and fast-acting ways to stimulate the economy. [Labor Department, [11/16/10](#) ; CBO, [1/14/10](#) ; Testimony, [7/1/10](#)]

- The Labor Department reported that during the Bush recession, unemployment insurance benefits kept an average of 1.6 million Americans on the job, and kept the unemployment rate about 1.2 percentage points lower. [Labor Department, [11/16/10](#)]

- The Wall Street Journal reports that experts have estimated that if the extensions were allowed to expire it would shave half a percentage point from economic growth. [Wall Street Journal, 11/16/10]

Republicans have repeatedly stonewalled an extension of unemployment benefits. Last week, they successfully blocked a proposal to extend benefits considered under a suspension of the rules, requiring a two-thirds majority for passage. Prior to the most recent extension that expired on November 30, a handful of senators delayed action on a bill that Hinchey supported to extend benefits for 13 weeks in the fall of 2009. In February, Hinchey voted to pass emergency legislation to extend unemployment insurance for 30 days. That bill also died in the Senate. In March, one senator blocked passage of a crucial package that would have extended the benefits. And in June, Hinchey voted to extend the benefits for six months, but on four separate occasions, a handful of senators blocked the legislation.